

CENTERVILLE SCHOOL DISTRICT No. 215
Klickitat County, Washington
September 1, 1990 Through August 31, 1992

Schedule Of Findings

1. Centerville School District Should Retain Public Bidding Records

During fiscal year 1991, the district purchased a bus for \$52,067. However, because of a turnover in staff and a lack of opportunity to communicate with a former bookkeeper, the district cannot locate the bidding documentation connected with that purchase.

Revised Code of Washington (RCW) 28A.335.190 states in part:

... (1) When, in the opinion of the board of directors . . . the cost of any . . . equipment . . . will equal or exceed the sum of twenty thousand dollars, complete . . . specifications for such . . . purchases shall be prepared and notice by publication given in at least one newspaper of general circulation within the district, once each week for two consecutive weeks, of the intention to receive bids therefor . . .

Further, RCW 40.14.070 states that municipal corporations must, unless provided dispensation, retain official public records for six or more years.

The absence of records with which to document that bid requirements were adhered to inhibits the public's assurance that the purchasing process provided the lowest responsible bid.

We recommend that the district retain future bid records.

2. Centerville School District Payroll Costs Charged To Federal Programs Should Be Properly Documented

During our audit, we noted that the district had charged a percentage of the superintendent's payroll costs to the federal Chapter 1 program based upon the results of a time study performed a few years ago. Although these charges were not based on actual time records, they appeared reasonable based upon our review of notations made on the superintendent's calendar for days he purportedly spent on grant related activities.

The United States Office of Management and Budget (OMB) Circular A-87, *Cost Principles for State and Local Governments*, Attachment B, Section B.10.b states in part:

. . . Payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees chargeable to more than one grant program or other cost objective will be supported by appropriate time distribution records

District personnel were unaware of the federal time documentation requirements.

Without accurate time records, the district cannot be certain that it is charging federal grants for time actually worked. However, the results of our testing of transactions and records selected did not indicate that unallowable expenditures were charged to federal programs. Therefore, we found no basis to question costs charged to federal programs.

We recommend that the district document future payroll costs charged to federal programs in accordance with federal requirements.